

The Finance Members' Speech.

K. Krishna Pisharodi.—Sir, I rise to ask leave to introduce the budget for the coming year, 1103 M. E.

When placing before the House the budgets of the last two years, I have given an outline of some of the broad principles underlying the policy of the Government, which, while receiving the approval of many in this House have at the same time stimulated acute criticisms of some of our friends on the opposite benches. The task of framing the budget is beset with numerous difficulties and it cannot be that we are all in agreement on all points. The very sitting of this Council will become dull and monotonous if we are not enlivened by the candid criticisms of some of our friends on the opposite side. It will be no matter for surprise if there are failings and mistakes in so vast a field of work as falls to the responsibilities of a Government and we heartily welcome such advice and guidance that may be offered and look hopefully to receive them in ample measure in future also.

As in last year, the budget estimates I propose to present have undergone the searching scrutiny of the members of the Standing Finance Committee, and I have once more to gratefully acknowledge the benefit of their valuable suggestions.

I shall now refer to the completed accounts of the last financial year which closed with results far more satisfactory than we had ventured to hope. The budget estimates of revenue and expenditure for the year, viz., Rs. 70,60,300 and Rs. 68,92,300 were expected to result in a surplus of Rs. 1,68,000 while according to our revised estimates we anticipated a revenue of Rs. 71,85,700 and an expenditure of Rs. 66,92,600 thus raising the anticipated surplus to Rs. 4,93,100. The actual transactions of the year however resulted in a surplus of Rs. 6,67,693 the revenue and expenditure having been Rs. 71,68,230 and Rs. 65,00,537 respectively. The difference between the budgeted surplus and the actual surplus was simply due to unforeseen circumstances, the enhanced revenue being due to the increased receipts under 'Customs' and the fall in expenditure being chiefly due to the fact that some departments could not utilise the full provisions as explained by me when reviewing the revised estimates of last year.

At the end of 1901 the State had a net asset of Rs. 48,24,146 after providing for all liabilities as against Rs. 41,56,453 at the beginning of the year. Out of this, a sum of Rs. 36,12,706 lay in investments of which a sum of Rs. 6,88,058 represents the expenditure incurred so far on Harbour Works. Of the balance of Rs. 29,24,648, Rs. 82,500 lay invested in the Vaniampara Rubber Company Rs. 2,41,755 in the Cochin Tanneries, Rs. 3,50,000 in the Sitaram Spinning and Weaving Company, Rs. 52,600 in the 1915-55 War Bonds, Rs. 5,00,000 in the 7 per cent Mysore Loan of 1931, and the balance in Bank deposits.

The State Loan which, at the beginning of the year, stood at Rs. 85,000 was reduced to Rs. 75,000 at the end of the year, the only outstanding debenture loan of Rs. 10,000 having been discharged during the year. The loan of Rs. 75,000 referred to represents the amount borrowed from the Devaswam Department for investment in the Vaniampara Rubber Company.

In regard to our financial position, I have only to repeat what I said last year, viz., 'though we are in a financially stable condition we still have to proceed cautiously in working out our programme of expenditure and cannot afford to embark on any big schemes involving large outlay without prejudicially affecting our financial stability and equilibrium.'

With these preliminary observations let me pass on to the working of the current year.

REVISED ESTIMATES OF 1102.

RECEIPTS.

According to the budget estimate we anticipated a revenue of Rs. 70,36,700 and an expenditure of Rs. 68,91,000 thus resulting in a surplus of Rs. 1,45,700; but the revised estimates show an improvement of Rs. 3,27,700 in revenue and a fall of Rs. 31,900 in expenditure, the total revenue and expenditure we now anticipate being Rs. 73,64,400 and Rs. 68,59,100 respectively. The anticipated surplus at the end of the year is thus raised from Rs. 1, 5,700 to Rs. 5,05,300. As already explained in my Memorandum, the heads mainly contributing to the enhanced revenue are 'Customs', 'Forests', 'Abkari and Ganja' and 'Railway'. Of these, 'Customs' comes first with an enhanced revenue of Rs. 2,23,200 over our budget estimate of Rs. 7,00,000 being the moiety we have realised from the British Government under the Interportal Trade Convention. A word